

ASSEMBLY BILL

No. 19

Introduced by Assembly Members Florez and Ashburn
(Principal coauthor: Senator Costa)

May 17, 2001

An act to amend Section 377 of the Public Utilities Code, relating to electric power.

LEGISLATIVE COUNSEL'S DIGEST

AB 19, as introduced, Florez. Facilities: electric power.

Existing law requires the Public Utilities Commission to regulate facilities for the generation of electricity owned by any public utility prior to January 1, 1997, until the owner of those facilities has applied to the commission to dispose of those facilities and has been authorized by the commission to undertake that disposal. Existing law prohibits any facility for the generation of electricity owned by a public utility to be disposed of prior to January 1, 2006.

This bill would exempt ~~the Kern Power Plant in Bakersfield, California~~ from that prohibition *any public utility-owned facility for the generation of electricity that has not been operated for at least 10 years and that has not had a permit to generate electricity for at least 5 years. It also would require that any facility exempt from this prohibition shall be sold subject to the requirement that the entity purchasing the facility shall enter into contracts to sell power generated by the facility to the Department of Water Resources or to a public utility subject to the jurisdiction of the commission at rates established on a cost-of-service basis.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 377 of the Public Utilities Code is amended to read:

377. (a) The commission shall continue to regulate the facilities for the generation of electricity owned by any public utility prior to January 1, 1997, that are subject to commission regulation until the owner of those facilities has applied to the commission to dispose of those facilities and has been authorized by the commission under Section 851 to undertake that disposal. Notwithstanding any other provision of law, no facility for the generation of electricity owned by a public utility may be disposed of prior to January 1, 2006. The commission shall ensure that public utility generation assets remain dedicated to service for the benefit of California ratepayers.

(b) This section does not apply to the disposition of the ~~Kern Power Plant in Bakersfield, California.~~

~~SEC. 2. Due to the unique facts and circumstances applicable to the Kern Power Plant in Bakersfield, California, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution. Special legislation is, therefore, necessarily applicable to only this power plant. any public utility-owned facility for the generation of electricity that has not been operated for at least 10 years and that has not had a permit to generate electricity for at least five years.~~

(1) Any facility to which this subdivision applies shall be sold subject to the requirement that the entity purchasing the facility shall enter into contracts to sell power generated by the facility to the Department of Water Resources or to a public utility subject to the jurisdiction of the commission at rates established on a cost-of-service basis.

(2) Any contract to sell power required by paragraph (1), including all rates and costs contained therein, shall be subject to approval by the commission.

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